

January 28, 2021

Maryland Senate Finance Committee Miller Senate Office Building, 3 East Wing 11 Bladen St. Annapolis, MD 21401 – 1991

RE: Opposition to SB 223

Dear Chair Kelley, Vice Chair Feldman, and members of the committee:

On behalf of the American Recyclable Plastic Bag Alliance (ARPBA), which represents America's plastic bag manufacturers and recyclers, I write to highlight concerns regarding SB 223 – legislation that would ban traditional plastic bags statewide and risk costly burdens for small businesses and consumers at a time when they can least afford it.

Importantly, I want to underscore that ARPBA shares a commitment to improve sustainability in Maryland. For our members, sustainability is at the forefront of everything we do, which is a key reason our members are pioneers in the plastic film recycling field and committed to meeting standards for recycled content in their products.

However, we are concerned that SB 223 would place significant burdens on businesses at a time of ongoing economic uncertainty. With a well-documented nationwide shortage of both paper and reusable bags, there is a risk that a plastic bag ban in Maryland would exacerbate operating costs for restaurants, retail stores, and grocery stores at a time when many businesses – both large and small – are struggling to stay afloat. Further, implementing the ban and the unfunded mandate could represent a hurdle to a strong economic recovery as we emerge from the pandemic.

These facts have led many states and localities across the country to rethink their plastic bag policies. Notably, the City of Baltimore has delayed its plastic bag ban for six months. Mayor Brandon Scott said, "At a time when people are hurting — both our residents who are out of work and local businesses — it's just simply not responsible to implement this right now." In addition, Westminster delayed implementation of its plastic bag ban, citing the hardships businesses are facing while noting concerns about reusable bags. Beyond these local developments, Maine, Washington, Philadelphia, and numerous other localities around the country have delayed implementation of their plastic bag policies for many of the same reasons.

Retail and grocery workers – who became frontline employees almost overnight – have repeatedly raised concerns with their employers about the bags that SB 223 intends to promote as a preferred alternative. The reasons behind these concerns and the reactions are straightforward. <u>Study</u> after <u>study</u> has shown that reusable bags can harbor bacteria and viruses that neither frontline workers nor consumers want to be exposed to, especially during a health crisis like COVID-19.

Although no studies have been done on COVID-19 transmission through reusable bags, it is clear consumers and frontline workers, as well as policymakers, appreciate the certainty that plastic retail bags provide in the current environment. The science supports their concerns about reusable bags, as a <u>study from the New England Journal of Medicine found</u> that the virus responsible for COVID-19 can remain viable for up to three days on polypropylene, the material most reusable bags are made from. As we continue our fight against the pandemic, small businesses and consumers deserve the flexibility and opportunity to choose the products that best meet their needs.

Overall, as this committee deliberates policy approaches to promote sustainability in Maryland, ARPBA stands ready to serve as a resource. We encourage you to review the data and considerations outlined below, which seek to underscore the unintended consequences plastic bag bans can create for communities and consumers, without clear benefits for the environment or sustainable practices.

Given the ongoing uncertainty surrounding the COVID-19 public health crisis and its negative economic repercussions, ARPBA urges the Maryland to reconsider a ban on these products, consider some of the additional information that follows below, and evaluate alternative approaches to achieve Maryland's sustainability objectives. Thank you for your time and consideration.

Plastic retail bags support American workers, including many right here in Maryland. Banning them will reward overseas manufacturers in some of the worst-polluting countries in the world. The vast majority of conventional plastic retail bags are manufactured domestically, supporting thousands of manufacturing jobs. In fact, there are 160 employees at a facility in Howard County manufacturing the plastic bags that SB 223 will ban. And as previously noted, U.S. plastic bag manufacturers are also major recyclers of plastic bags and films: in 2018, 75% of plastic bags and film returned for recycling at U.S. retail stores were reclaimed by U.S. and Canadian recyclers.

However, the vast majority of reusable totes, such as the kind commonly available for \$1-2 at the grocery store checkout counter, are made by foreign manufacturers in countries that are responsible for much of the world's marine debris, primarily China and Vietnam.

Bans on plastic bags create significant burdens for small businesses and consumers.

Implementing a ban on plastic bags is costly for retailers, especially small businesses and grocery stores who operate on razor-thin profit margins. For example, when San Francisco implemented its plastic bag ban in 2012, large grocery stores reported \$80,000 per year in extra costs.

More recently in 2019, large grocery stores in Maryland reported more than \$200,000 per year in increased costs for each store when a plastic bag ban is implemented. Due to <u>broad bag shortages</u>, particularly for paper bags, that are expected to <u>last for several years</u> these costs have likely increased.

The financial burden from the ban would fall most heavily on small businesses who will be forced to spend a great deal of money attempting to purchase bags in bulk at costs reflecting increased demands. Inevitably, these costs will be passed onto consumers in the form of higher prices or consumers will face significant inconvenience in the event that retailers cannot acquire bags to offer.

Plastic retail bags make up a tiny percentage of both municipal solid waste and litter. Banning them will not have a meaningful impact on either category.

Many suggest plastic retail bags are filling up landfills and the environment, but this simply isn't true. <u>U.S.</u> Environmental Protection Agency data shows that all plastic "bags and sacks" combined make up 0.3% of the nation's municipal solid waste. Plastic retail bags account for an even smaller fraction of waste, despite common misperceptions about their prevalence in waste streams or elsewhere.

Additionally, two recent statewide litter studies, done in nearby New Jersey and Pennsylvania, found that branded plastic retail bags make up very small percentages of litter in each state: 0.8% and 0.7%, respectively. In addition, 2020 Ocean Conservancy data found that plastic grocery bags make up only 1% of beach cleanup material in Maryland. Make no mistake: this number should be zero. Plastic bags do not belong in the environment and should always be disposed of properly, either through reuse or recycling at supermarket drop-off bins.

Plastic retail bags are reused at high rates. Banning them means that people will need to buy products that use more plastic and have a greater carbon footprint.

According to Recyc-Québec, a government recycling agency based in Canada, nearly 78% of people reuse their "single-use" plastic bags, most often as a small trash can liner or to pick up pet waste. In other words, "single-use" is a misnomer.

Ironically, research from the <u>University of Sydney</u> found that after California's plastic bag ban, the sales of thicker, more resource-intensive plastic trash bags skyrocketed. Once plastic bags were banned, Californians started buying trash bags for their everyday use instead of reusing the shopping bags that they previously relied on.

The same study found that California's plastic bag ban led to an increase in carbon emissions—one of the strongest indicators that these policies have unintended consequences and do not always have a positive environmental outcome once everything is accounted for. Policies designed to promote sustainability should promote more sustainable behaviors or products, not drive consumers to less sustainable choices.

Recycling is a key priority for plastic retail bag manufacturers, and it is working.

At many grocery stores and major retail chains, you will find a bin for recycling plastic bags and other types of plastic wraps and films. Our members – the companies who make plastic bags – established early on that they did not want to see their products going directly to the landfill after one use, so they invented a way to recycle plastic bags.

After plastic bags are returned to grocery and retail stores, ARPBA members and other companies buy those plastic bags back from the retailer (along with other polyethylene wraps and films) and transport them to recycling facilities where they are eventually turned into new bags, railroad ties, composite lumber, asphalt, and much more. Today, ARPBA members are not only in the manufacturing business but also in the recycling business, recycling hundreds of millions of pounds of plastic bags and film each year.

Recycling plastic bags and film is a core part of our business – and it works. While we often hear that recycling is ineffective because China and other countries stopped taking our waste and recycling, this doesn't apply to plastic bags and film. In 2018, 75% of plastic bags and film returned for recycling at U.S. retail stores were reclaimed by U.S. and Canadian recyclers.

Plastic retail bags are the most sustainable option at the checkout counter – as long as they are disposed of properly.

Life cycle assessment after life cycle assessment of carryout bags has found that plastic is the best option at the checkout counter, in terms of sustainability and resource efficiency. For example, Recyc-Québec released a study in December 2017, which found that the overall lifecycle of the plastic bag—from its production to the end of its life—has far less environmental impact compared with other bags. Additionally, in a February 2018 study, Denmark's Environmental Protection Agency concluded that lightweight plastic carrier bags provide "the absolute best environmental performance."

With America still dealing with the pandemic and retailers and consumers reeling, policymakers should focus on legislation that reduces costs and burdens for businesses – not new regulations that make doing business in Maryland more complicated and expensive during an ongoing global health crisis.

To conclude, we would welcome the opportunity to provide more details about this issue, discuss potential policy solutions, and do our part to help Maryland achieve its sustainability goals. ARPBA and its members stand ready to work with you on solutions that protect the state's unique environment, increase recycling,

decrease litter and waste, and reduce marine debris without placing a burden on residents or the business community or moving manufacturing jobs overseas.

As you work through this process, please consider us a resource, and don't hesitate to reach out with any questions.

Sincerely,

Zachary Taylor

Director

American Recyclable Plastic Bag Alliance

CC: Sen. Malcolm L. Augustine

Sen. Pamela G. Beidle

Sen. Joanne C. Benson

Sen. Antonio L. Hayes

Sen. Stephen S. Hershey, Jr.

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